

**FY 1999-2000
Budget Detail
for**

SAFETY AND DEFENSE

**Military and Veterans Affairs
State Police**

MILITARY AND VETERANS AFFAIRS

PUBLIC ACT 96 OF 1999

Analyst: Kyle I. Jen

	FY 1998-99 YEAR-TO-DATE APPROPRIATIONS	FY 1999-2000 ENACTED APPROPRIATIONS	FY 1999-2000 ENACTED CHANGE FROM FY 1998-99	
			AMOUNT	PERCENT
FTE POSITIONS	1,088.0	1,088.0	0.0	0.0
GROSS	\$91,543,300	\$94,962,000	\$3,418,700	3.7
IDG/IDT	0	0	0	0.0
ADJUSTED GROSS	\$91,543,300	\$94,962,000	\$3,418,700	3.7
FEDERAL	29,659,000	32,477,400	2,818,400	9.5
LOCAL	0	0	0	0.0
PRIVATE	375,000	375,000	0	0.0
OTHER	21,928,000	22,409,100	481,100	2.2
GF/GP	\$39,581,300	\$39,700,500	\$119,200	0.3

SB 369

Referred to Appropriations
2/23/99

Passed Senate
3/24/99

Passed House
5/25/99

Concurrence with
House Amendments
6/8/99

Concurrence with
Senate Amendments
6/8/99

Effective
7/1/99

OVERVIEW - MILITARY AND VETERANS AFFAIRS

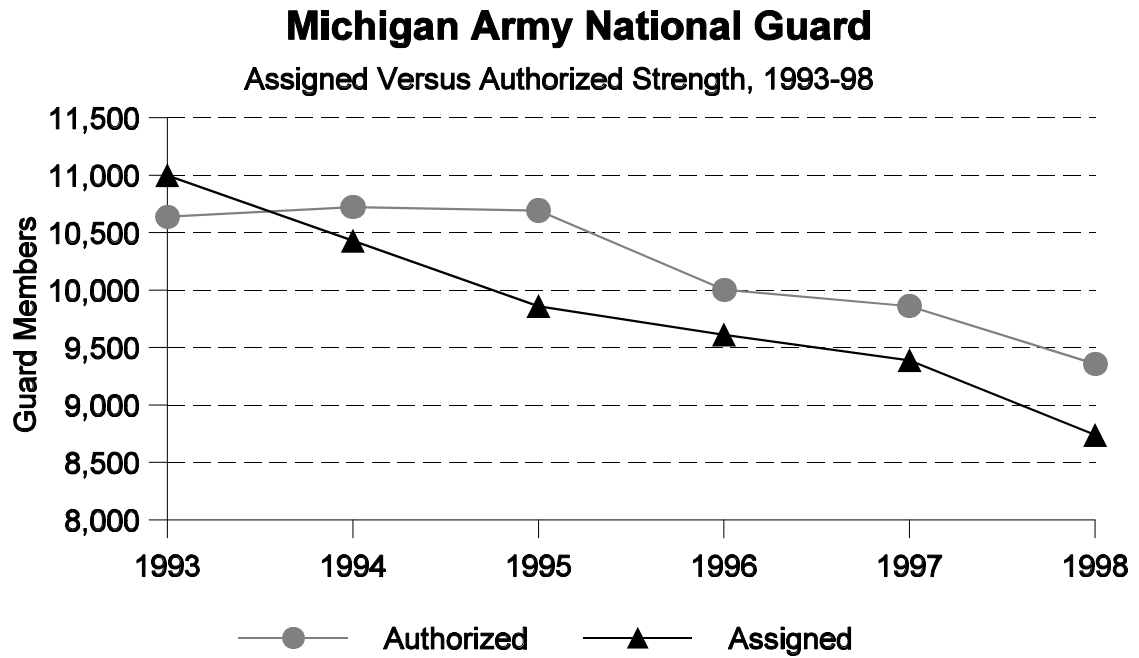
The Department of Military and Veterans Affairs is charged with the training and administration of Army and Air National Guard forces, providing combat-ready military forces during times of national emergency, and performing a variety of civil relief operations under the command of the Governor during state emergencies. Approximately 50 percent of the Department's military and administrative operations are funded through federal sources. The Department is also responsible for a number of veterans-related programs that include state-licensed nursing care at veterans homes in Grand Rapids and Marquette, grant funding to veterans service organizations, and administration of the Michigan Veterans Trust Fund.

The enacted FY 1999-2000 budget for the Department includes a gross appropriation of \$95.0 million. This is an increase of \$3.4 million or 3.7% over FY 1998-99 year-to-date appropriations, largely as a result of an increase of \$3.0 million in federal funds. The change from year-to-date GF/GP appropriations is \$119,200 or 0.3%.

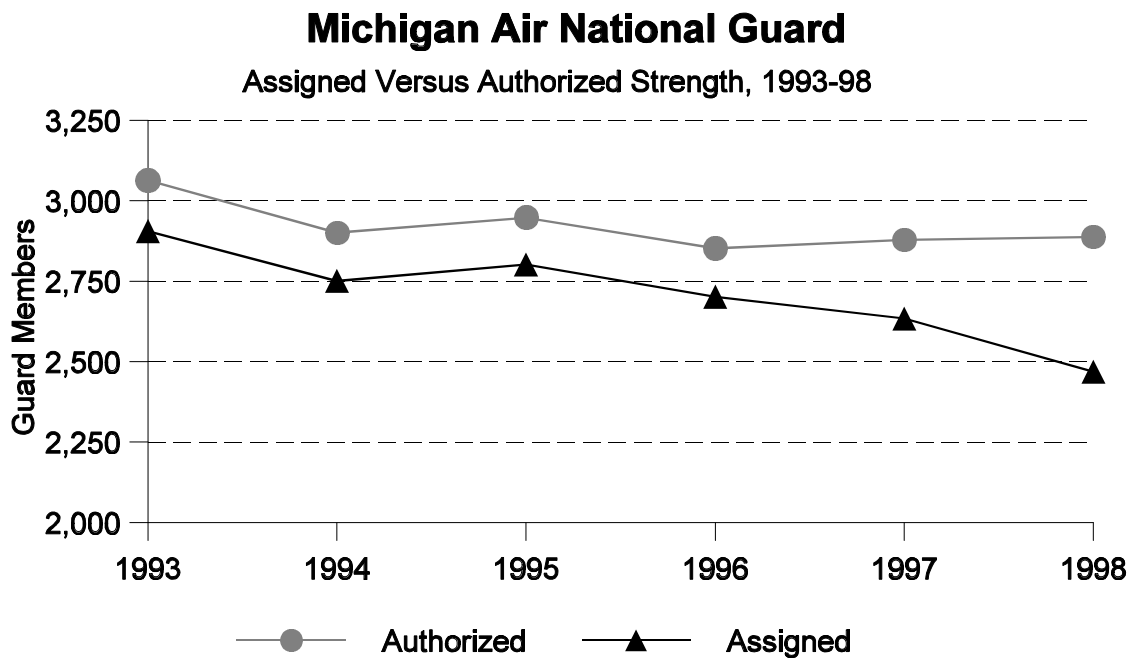
The year-to-date figure includes one-time GF/GP supplemental appropriations of \$2.8 million for enlisted per diem back payments and \$250,000 for the National World War II Memorial, included in Senate Bill 68 and House Bill 4075, respectively. The gross increase from the FY 1998-99 enacted budget is \$9.2 million or 10.7%, and the GF/GP increase from the FY 1998-99 enacted budget is \$3.2 million or 8.7%.

Two new program initiatives are included in the FY 1999-2000 budget. First, \$2.8 million is appropriated for the *Challenge Program*, a voluntary boot camp for high school drop-outs run by National Guard members. Second, \$2.0 million is added to support a *National Guard Education Assistance Program*. Another major issue addressed during the budget process is the elimination of enlisted per diem payments for National Guard members with the enactment of Senate Bill 543 (Public Act 97 of 1999).

The following graphs illustrate a shortfall in National Guard recruiting over the last several years. "Assigned" refers to the actual number of guard members, while "authorized" refers to the number of members approved by the U.S. National Guard Bureau. In 1998, the gap between these two numbers was 618 for the Army National Guard and 419 for the Air National Guard. Improved recruiting is a primary objective of the new education assistance program.



Source: Michigan Department of Military and Veterans Affairs



Source: Michigan Department of Military and Veterans Affairs

MAJOR BUDGET CHANGES: FY 1999-2000

<u>Budget Issue</u>	<u>Change from FY 1998-99</u>	
1. Challenge Program This new preventative at-risk youth program targets 16- to 18-year-old drug-free high school dropouts with no criminal record. The program allows National Guard members to act as mentors to participants in a boot camp setting; a major objective is the completion of a GED by each participant. The program will begin in September 1999 and will consist of two 11-week sessions involving 100 youth each. It will be housed at the Federal Veterans Administration Medical Center in Battle Creek. Seventy percent of the costs will be funded by the federal government. The federal portion of the costs will decrease to 65% for FY 2000-01 and to 60% for FY 2001-02 and subsequent years.	FTEs	39.0
	Gross	\$2,800,000
	GF/GP	\$840,000
2. National Guard Education Assistance Program Funding is added to support a tuition assistance program with the objective of increasing National Guard strength through recruiting. (See <i>Boilerplate Changes</i> for provisions of the program.)	FTEs	0.0
	Gross	\$2,000,000
	GF/GP	\$2,000,000
3. Enlisted Per Diem Payments Funding for enlisted per diem payments has been eliminated, although the line item is retained with \$100. These payments are no longer statutorily required with the enactment of Senate Bill 543 as Public Act 97 of 1999.	FTEs	0.0
	Gross	(\$339,900)
	GF/GP	(\$339,900)
4. Civil Air Patrol Funding in the FY 1999-2000 budget for a grant to the Civil Air Patrol has been removed.	FTEs	0.0
	Gross	(\$20,000)
	GF/GP	(\$20,000)
5. Grants to Veterans Service Organizations Funding is increased for grants to veterans service organizations. The base grant for the American Legion is increased by \$72,700, and each organization receives a 3% increase.	FTEs	0.0
	Gross	\$179,300
	GF/GP	\$179,300
6. Grand Rapids Veterans Home The enacted budget anticipates \$1,418,900 in increased federal revenue, income and assessments, and lease revenue for the Grand Rapids home. These increases are partially offset by a shift of \$300,000 from GF/GP.	FTEs	0.0
	Gross	\$1,118,900
	GF/GP	(\$300,000)
7. D.J. Jacobetti Veterans Home The enacted budget anticipates \$361,600 in increased federal revenue and income and assessments for the Marquette home. These increases are partially offset by a shift of \$200,000 from GF/GP.	FTEs	0.0
	Gross	\$161,600
	GF/GP	(\$200,000)
8. County Veterans Counselor Training Funding is added to pay for travel and program costs for county veterans counselor training.	FTEs	0.0
	Gross	\$50,000
	GF/GP	\$50,000

ECONOMICS: FY 1999-2000***Economic Change***

The enacted budget includes a gross increase of \$2.2 million for standard economic adjustments.

FTEs	0.0
Gross	\$2,182,200
GF/GP	\$748,200

MAJOR BOILERPLATE CHANGES: FY 1999-2000**1. Sec. 208. Nonprofit Group Assistance**

Language is included to allow the Department to provide assistance to groups who seek acquisition of surplus military equipment for display or museum purposes.

2. Sec. 216. National Guard Education Assistance Program

Language is included providing for the expenditure of funds for the National Guard Education Assistance Program. Eligible National Guard members may have 50% of tuition costs reimbursed, up to a maximum of \$2,000, upon completion of course work with a passing grade.

3. Sec. 217. State Transportation Air Fleet

Language is included requiring the Department to work with the Department of Transportation to develop plans for the maintenance, scheduling, and use of all state-owned, noncombat aircraft. The section also requires a report on those efforts.

4. Sec. 501. Disclosure of Grant Recipient Expenditures

Language is included requiring veterans service organizations to submit Federal IRS Form 990 to the Department. This form will provide an accounting of the expenditures made by each organization.

VETOES: FY 1999-2000

None

REVENUE INCREASES: FY 1999-2000

None

SUPPLEMENTAL APPROPRIATIONS: FY 1998-99**1. Enlisted Per Diem Back Payments**

Funds are appropriated to complete back payments resulting from a class action suit filed by National Guard members. This suit was based on the statutory requirement created in 1917 of a \$2 per diem payment to each member participating in training exercises. The back payments apply to the years 1988 through 1997.

FTEs	0.0
Gross	\$2,807,300
GF/GP	\$2,807,300

SUPPLEMENTAL APPROPRIATIONS: FY 1998-99**2. Challenge Program Start-Up Costs**

Federal funds and FTE positions are appropriated for the start-up costs associated with the Challenge program since the program will begin in the current fiscal year. State matching funds are available from existing resources.

FTEs	39.0
Gross	\$470,000
GF/GP	\$0

3. National World War II Memorial

Funds are appropriated as a grant for the National World War II Memorial to be built in Washington D.C. between the Washington Monument and the Lincoln Memorial

FTEs	0.0
Gross	\$250,000
GF/GP	\$250,000

STATE POLICE

PUBLIC ACT 110 OF 1999

Analyst: Kyle I. Jen

	FY 1998-99 YEAR-TO-DATE APPROPRIATIONS	FY 1999-2000 ENACTED APPROPRIATIONS	FY 1999-2000 ENACTED CHANGE FROM FY 1998-99	
			AMOUNT	PERCENT
FTE POSITIONS	3,562.0	3,596.0	34.0	1.0
GROSS	\$358,045,900	\$368,850,300	\$10,804,400	3.0
IDG/IDT	18,259,000	22,307,800	4,048,800	22.2
ADJUSTED GROSS	\$339,786,900	\$346,542,500	\$6,755,600	2.0
FEDERAL	34,596,200	32,216,400	(2,379,800)	(6.9)
LOCAL	3,453,400	3,479,800	26,400	0.8
PRIVATE	0	0	0	0.0
OTHER	41,714,300	42,126,400	412,100	1.0
GF/GP	\$260,023,000	\$268,719,900	\$8,696,900	3.3

SB 371

Referred to Appropriations
2/23/99

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3/24/99

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5/25/99

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6/8/99

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Effective
7/8/99

OVERVIEW - STATE POLICE

The primary mission of the Department of State Police is to protect citizens' lives and property through the enforcement of Michigan's laws. The responsibilities of the Department encompass a full range of police and public safety activities, including responding to citizen complaints through specialized operations such as bomb disposal, canine units, and undercover narcotics enforcement teams. Local law enforcement units have access to these specialized units as well as to the services of the State Police forensic laboratories, criminal record and fingerprint identification programs, computer information networks, and training programs. The Department's public safety activities include fire safety, certification of police officers and fire fighters, approval of police and fire training curricula, highway safety planning, disaster recovery, and hazardous materials training.

The enacted FY 1999-2000 budget for the Department includes a gross appropriation of \$368.8 million. This is an increase of \$10.8 million or 3.0% over FY 1998-99 year-to-date appropriations, largely due to an increase of \$9.8 million or 3.8% in GF/GP appropriations.

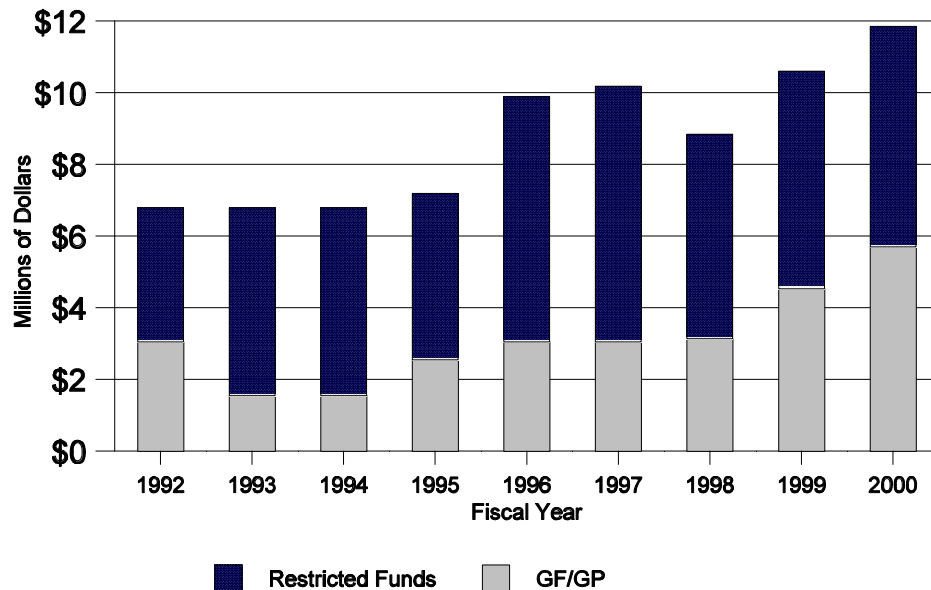
Major funding increases are included for a number of departmental activities, including Casino Gaming Oversight, Michigan Information Processing Center conversion, and Criminal Investigations. Funding is maintained to complete one trooper school (\$6.9 million for the 118th) and start another (\$1.1 million for the 119th). Funds have been appropriated for these schools to train 110 and 100 recruits, respectively; projected trooper strength for 2000 is 1,340. The most significant budget reduction is for the State Public Safety Communication System due to delays in the phase-in of the system.

House Bill 4075 includes a FY 1998-99 supplemental appropriation of \$850,000 for the matching funds necessary for the departments of State Police, Transportation, and Community Health to be reimbursed with Federal Emergency Management funds for costs associated with snow removal in southeast Michigan in December 1998.

As shown in the following graph, appropriations for Secondary Road Patrol grants to counties have increased significantly for both FY 1998-99 and FY 1999-2000. The increase in GF/GP grants for FY 1999-2000 is \$1.25 million, while the restricted fund grants — which are based on a \$5 assessment on certain motor vehicle violations — are projected to remain constant. The overall increase in the FY 1999-2000 appropriations for the grants is 12.7%.

Secondary Road Patrol Grant Appropriations

Fiscal Years 1991-92 through 1999-2000



Source: Michigan Department of State Police

MAJOR BUDGET CHANGES: FY 1999-2000

Budget Issue

Change from FY 1998-99

1. Casino Gaming Oversight

Funding is included for Casino Gaming Oversight activities related to the opening of the temporary casinos in Detroit. This funding increase corresponds to an expected increase in casino gaming fees.

FTEs	10.0
Gross	\$2,123,300
GF/GP	\$0

2. Motor Carrier Enforcement

The IDG from the Department of Transportation for Motor Carrier Enforcement is increased to fund technology improvements, scalehouse infrastructure improvements, and increased portable scale patrols. This funding increase has not been included in the transportation budget, however, leaving this appropriation increase without a funding source.

FTEs	12.0
Gross	\$1,774,600
GF/GP	\$0

3. Secondary Road Patrol and Traffic Accident Basic Grants

The appropriation for GF/GP Secondary Road Patrol grants is increased by 28.1%. Total (GF/GP and restricted) appropriations for the grants are increased by 12.7%.

FTEs	0.0
Gross	\$1,250,000
GF/GP	\$1,250,000

4. MIPC Conversion Costs

Due to confidentiality concerns, the Department of State Police will have a mainframe separate from other state departments involved in the Michigan Information Processing Center. This funding increase includes \$763,600 for the first of an estimated three annual appropriations for the purchase of that mainframe.

FTEs	0.0
Gross	\$1,160,700
GF/GP	\$1,160,700

MAJOR BUDGET CHANGES: FY 1999-2000

<u>Budget Issue</u>	<u>Change from FY 1998-99</u>	
5. Additional Detectives	FTEs	12.0
Funding is included for twelve additional detective positions in response to increases in prison investigations and child abuse cases.	Gross	\$1,023,000
	GF/GP	\$1,023,000
6. Helicopter Replacement	FTEs	0.0
Funding is included for acquisition of a new helicopter by the Department. This appropriation is for the first payment on a seven-year lease.	Gross	\$412,300
	GF/GP	\$412,300
7. Clerical Support	FTEs	0.0
Funding is included to increase the number of hours (but not positions) for clerical support to allow troopers more time in the field.	Gross	\$339,400
	GF/GP	\$339,400
8. State Public Safety Communications System	FTEs	0.0
Due to delays in the phase-in of the 800 MHZ radio system, funding for the 800 MHZ communications system is decreased by \$2.0 million. This decrease is partially offset by increases of \$548,000 for radio shop maintenance leases and \$682,000 for Upper Peninsula communications lines.	Gross	(\$770,000)
	GF/GP	(\$770,000)

ECONOMICS: FY 1999-2000

Economic Increase	FTEs	0.0
The enacted budget includes a gross increase of \$8.2 million for standard economic adjustments.	Gross	\$8,171,800
	GF/GP	\$6,891,500

MAJOR BOILERPLATE CHANGES: FY 1999-2000

- 1. Sec. 214. Contractual Services**
Language is included prohibiting the Department from subsidizing any contractual services it provides.
- 2. Sec. 218. State Transportation Air Fleet**
Language is included requiring the Department to work with the Department of Transportation to develop plans for the maintenance, scheduling, and use of all state-owned aircraft. The section also requires a report on those efforts.
- 3. Sec. 224. CCW Costs**
Language is included requiring a report on the costs of processing the fingerprints of concealed weapon license applicants.
- 4. Sec. 1102. Security Guard Licensure Fees**
Language is included authorizing the Department to receive and expend additional state restricted funds for the support of the private security guard licensure program.
- 5. Sec. 1103. Internet Crime Unit**
Language is included requiring a report on the feasibility of establishing an Internet crime unit.

MAJOR BOILERPLATE CHANGES: FY 1999-2000**6. Sec. 1202. Weigh Stations Signs**

Language is included requiring the Department to post a sign at weigh stations when they are closed stating that enforcement is being maintained through mobile patrols.

VETOES: FY 1999-2000

None

REVENUE INCREASES: FY 1999-2000**Private Security Guard Licensure Fees**

An increase in private security guard licensure fee revenue is appropriated, but further legislation will be necessary to increase those fees.

Gross	\$225,000
GF/GP	\$0

SUPPLEMENTAL APPROPRIATIONS: FY 1998-99**1. Emergency Management**

Funds are appropriated for matching funds necessary for the departments of State Police, Transportation, and Community Health to receive Federal Emergency Management funds associated with snow removal in southeastern Michigan in December 1998.

FTEs	0.0
Gross	\$850,000
GF/GP	\$850,000

2. Drunk Driving Law Study

Funds are appropriated for the Department to contract with the University of Michigan Transportation Research Institute for a three-year study to evaluate the impact of recently-enacted repeat drunk driving laws.

FTEs	0.0
Gross	\$550,000
GF/GP	\$550,000

3. Firefighters Training Council

Funds are appropriated for the Firefighters Training Council for one-time training and technology expenditures.

FTEs	0.0
Gross	\$250,000
GF/GP	\$250,000